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12 Attorneys for Creditors  
12 Martha and Javier Cordova

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION

16

In re:

Bankruptcy Case No. 2:24-bk-10997-SK

17 Jetsee Salathiel Martinez Esquivel,

## Chapter 13

18 | Debtor

JOINT STIPULATION ALLOWING  
CREDITORS PAYMENT AND PURSUIT  
OF DEBTOR'S SURETY

25 IT IS HEREBY STIPULATED AND AGREED by and between Martha Cordova and  
26 Javier Cordova (Creditors), Debtor Jetsee Salathiel Martinez Esquivel (Debtor), and the Chapter  
27 13 Trustee, Kathy Dockery, as follows:

## RECITALS

A. On January 7, 2021, Creditors filed a complaint in the San Diego Superior Court, Central Division (case no.: 37-2021-00000765-UC-BT-CTL) (herein "State Court Action") alleging violations of various consumer protection statutes against Flux Electric, LLC, a California Limited Liability Company. Debtor is the sole member of Flux Electric, LLC.

B. On or around August 6, 2015, AMERICAN CONTRACTORS INDEMNITY COMPANY, a California corporation (herein "Surety") issued a bond in the amount of \$12,500.00 on behalf of Flux Electric (contractor license no.: 1006909). Debtor is the owner of Flux Electric.

C. On or around January 30, 2024, the Surety filed a Notice of Deposit of Bond Funds in the State Court Action, and deposited \$12,500.00 of its bond No. 100282769 with the San Diego Superior Court, Central Division (herein "the Court").

D. On February 9, 2024, Debtor filed a Chapter 13 bankruptcy petition which did not identify Creditors on the petition. Creditors were first notified of Debtor's bankruptcy filing on March 21, 2024, when Debtor's counsel in the state court action emailed a notice of stay due to this bankruptcy filing. On April 18, 2024, Debtor filed a summary of Amended Schedules, on which the Creditors were now finally included.

F. On June 20, 2024, the Trustee filed a notice of rescheduled Confirmation Hearing to July 18, 2024, at 10:00 a.m.

## STIPULATION

NOW, THEREFORE, subject to approval of the Bankruptcy Court, it is hereby stipulated that the recitals contained in this Stipulation are true and accurate and as specifically as follows:

1. The Trustee having concluded that the Surety funds deposited in the San Diego Superior Court Central Division are not property of the Debtor's estate, Creditors may move forward in pursuit of the Surety funds deposited with the San Diego Superior Court, Central Division:

2. Creditors' pursuit shall not be considered a violation of 11 USC §362;

3. The Trustee and the Debtor authorize the Surety and the Court in the State Court Action to payout and release the \$12,500.00 bond proceeds to Creditors.

4. Debtor will take any and all steps to effectuate the language of this stipulation and agrees to sign any other documents required to have the Surety and the Court in the State Court Action payout the \$12,500.00 bond proceeds to Creditors.

5. Debtor agrees to not object to Creditors' proof of claim filed on April 19, 2024 in the Chapter 13 bankruptcy case in the amount of \$104,231.91, and will treat the claim as an allowed claim.

6. In consideration of Debtor's authorization to the Surety and the Court in the State Court Action to payout the \$12,500.00 bond proceeds to Creditors, creditors agree to the following:

- a. Creditors will not object to Debtor's Chapter 13 Plan Confirmation;
- b. Creditors will not file an adversarial proceeding creditor's in Debtor's Chapter 13 bankruptcy matter; and,
- c. Creditors will dismiss the State Court Action against Flux Electric, LLC with prejudice within five court days upon their receipt of the \$12,500.00 in bond proceeds from the San Diego Superior Court, Central Division.

IT IS SO STIPULATED.

July 11, 2024

By Hector Vega  
HECTOR VEGA  
LAW OFFICES OF HECTOR VEGA  
Attorney for Debtor

July 11, 2024

By AKIHITO KOYAMA  
Senior Staff Attorney for Chapter 13 Trustee  
KATHY A. DOCKERY

July 12, 2024

By /s/ Fanny Cherng  
FANNY CHERNG  
MIKA WILBUR  
LEGAL AID SOCIETY OF SAN DIEGO  
Attorneys for Creditors